

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

<hr/>		:	ECF Case
JIMMY LYONS, <i>et al.</i> , individually and		:	
on behalf of all others similarly situated,		:	No. 13 Civ. 513 (ALC)
		:	
Plaintiffs,		:	
		:	
vs.		:	
		:	
LITTON LOAN SERVICING LP, <i>et al.</i> ,		:	
		:	
Defendants.		:	
<hr/>		:	

**NOTICE OF RELATED DECISION BY DEFENDANTS ASSURANT, INC.,
AMERICAN SECURITY INSURANCE COMPANY, AND
STANDARD GUARANTY INSURANCE COMPANY**

Defendants Assurant, Inc., American Security Insurance Company, and Standard Guaranty Insurance Company (collectively, “the Assurant Defendants”) respectfully request that the Court take notice of a recent decision from the United States District Court for the District of Nevada dismissing claims for violation of the Racketeer Influenced and Corrupt Organizations Act (“RICO”), 18 U.S.C. § 1961 *et seq.*, and breach of fiduciary duty, among others. The decision was filed on July 8, 2015, in *Morris v. Green Tree Servicing, LLC*, No. 14 Civ. 1998 (D. Nev.). For the Court’s convenience, a copy of this decision is attached as Exhibit A.*

Several of the claims in *Morris* were similar to those asserted in this action, and were premised, as here, on allegations that an affiliate of the Assurant Defendants (American Reliable Insurance Company) engaged in a “kickback scheme” with a servicer defendant (Green Tree Servicing, LLC) “whereby ARIC paid commissions to Green Tree based on its purchase of FPI.”

* This Notice of Recent Decision applies equally to the Assurant Defendants’ pending motion to dismiss in the related case of *Clarizia v. Ocwen Financial Corp.*, No. 13 Civ. 2907 (ALC).

Relying on *Cohen v. American Security Insurance Co.*, 735 F.3d 601 (7th Cir. 2013), which held that similar “kickback” allegations were not fraudulent in nature, the *Morris* court dismissed a RICO claim alleging predicate acts of mail and wire fraud. Although dismissal was without prejudice, the court specified that “Plaintiff may not continue to rely on backdating or kickback theories to support the predicate acts of mail or wire fraud.”

This supplemental authority supports arguments made at pages 12-15 and 22-24 of the Assurant Defendants’ motion to dismiss (ECF No. 148) and pages 4-6 and 9 of the reply thereto (ECF No. 169).

Dated: New York, New York
July 9, 2015

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